

January 24, 2012

The Honorable Gary Hayzlett, Chairperson
House Committee on Transportation
Statehouse, Room 274-W
Topeka, Kansas 66612

Dear Representative Hayzlett:

SUBJECT: Fiscal Note for HB 2432 by Representative Hoffman

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2432 is respectfully submitted to your committee.

HB 2432 would create a “Ducks Unlimited” distinctive license plate. The bill would allow any owner or lessee of one or more passenger vehicles or trucks registered for a gross weight of 20,000 pounds or less to apply for the new plate after paying a fee to Ducks Unlimited between \$25 and \$100 as a logo use royalty payment. Ducks Unlimited would be required to pay the initial cost of silk-screening for the license plates; provide all county treasurers with a toll-free telephone number where applicants can call for information concerning the application process or the status of their application; and design the license plate to be issued.

Estimated State Fiscal Effect				
	FY 2012 SGF	FY 2012 All Funds	FY 2013 SGF	FY 2013 All Funds
Revenue	--	--	--	\$35,870
Expenditure	--	--	--	\$24,780
FTE Pos.	--	--	--	--

The Department of Revenue estimates that HB 2432 would increase revenue to the Distinctive License Plate Fund by \$20,000 in FY 2013. The Department indicates that the sponsor of a new specialty plate is required to provide the \$20,000 nonrefundable fee under the provisions of KSA 8-1,141 for the purpose of defraying the cost to develop the new plate. If the 500 license plate minimum is met, new distinctive plates are also subject to a \$40 personalized plate fee under these provisions, which would increase revenue to the State Highway Fund by \$15,870. This amount is offset with additional manufacturing costs of \$8.26 per plate ($\$40 \times 500 \text{ plates} = \$20,000 - \$4,130 (\$8.26 \times 500 \text{ plates}) = \$15,870$).

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The Department estimates that HB 2432 would increase expenditures from the Division of Vehicles Operating Fund in FY 2013 by \$24,780 to design, manufacture, and ship 3,000 license plates to the county treasurer offices, which would be required in order to have sufficient inventory in all counties. The Department estimates the costs to modify the motor vehicles system to implement the provisions in the bill would be negligible and could be absorbed within existing resources. Any fiscal effect associated with HB 2432 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", written in a cursive style.

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Steve Neske, Revenue